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RUCPDOC/DEPT OF COMMERCE WASHINGTON DC
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RHHMUNA/USPACOM HONOLULU HI

UNCLAS SECTION 01 OF 02 HANOI 001417

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STATE FOR DOC AND DOD

E.O. 12958: N/A

TAGS: PREL PGOV ECON ETRD MARR VM

SUBJECT: AMBASSADOR'S MEETING WITH MOD EXTERNAL RELATIONS DEPARTMENT HEAD, LT GEN LAN

11. (SBU) SUMMARY: Ambassador Michalak met with Director of the External Relations Department at the Ministry of Defense (MOD), Lieutenant General Pham Thanh Lan, December 18 to discuss MIAs (both U.S. and Vietnamese), U.S. support for demining activities, Agent Orange remediation activities, and disaster preparedness, and thanked the General for his assistance in obtaining final approval for the new DATT. General Lan voiced enthusiasm for bilateral defense cooperation and agreed in principle to propose a visit by Vietnam's Minister of Defense to Washington, possibly in the third or fourth quarter of 2009. The Ambassador expressed strong support for the U.S. company AAE's \$9.8 million bid to win a MOD Satellite Communications Equipment tender. END SUMMARY.

## A Possible MinDef Visit in Late 2009

- ¶2. (SBU) The Ambassador and General Lan commented on the positive direction of the overall bilateral relationship, citing the number of high-level visits, including PM Dung's June visit to Washington and the recently concluded meetings in Hanoi of Senator Baucus. Defense ties are improving as well, with opportunities for cooperation in areas such as flight safety, search and rescue, disaster preparedness, and humanitarian and medical assistance. General Lan specifically mentioned the search for U.S. and Vietnamese MIAs as an area of robust cooperation. The General commented on the number of Vietnamese military officers who have received training in the U.S. and noted that in 2009 there would be U.S. training courses in Vietnam.
- 13. (SBU) General Lan reacted positively to a suggestion that Minister of Defense Phung Quang Thanh consider visiting the United States, possibly in the third or fourth quarter of 2009. The two sides agreed that with the U.S. Secretary of Defense continuing to serve under the new administration, it will be easier to build on the positive momentum, and that a meeting would be useful.

## A Rational Plan for Unexploded Ordinance

¶4. (SBU) Moving to an area that General Lan cited as a major positive aspect of the relationship, the Ambassador emphasized the need for an overall plan for dealing unexploded ordinance, noting that the lack of such a national plan put Vietnam at a comparative disadvantage when competing for U.S. funds, despite considerable support in Congress and within the Department of Defense. In this vein, the Ambassador specifically asked for clarification regarding the roles of BOMISEN and VBMAC. The General thanked the Ambassador for the frank assessment and agreed that Vietnam could do more to formulate a rational plan.

Approval for the DATT

15. (SBU) General Lan acknowledged the Ambassador's words of thanks for MOD's assistance in obtaining final approval for the U.S. Defense Attache to begin his tour of duty in Hanoi, noting that "it is our policy to set aside the past and look toward the future."

## Advocacy for U.S. Company AAE

- 16. (SBU) The Ambassador expressed strong support for the Sunnyvale California-based telecommunications company AAE in its \$9.8 million bid to win a MOD Satellite Communications Equipment tender released in June 2008 and called the General's attention to an advocacy letter he had written on behalf of AAE to the Minister of Defense. He passed on to General Lan the original letter during this meeting. The Ambassador noted that there have been a number of U.S. companies in the defense sector that have shown interest in the Vietnamese defense sector market and that AAE was well positioned to win the Satellite Communications Equipment Tender based on the company's technology, price, and proven commitment to the Vietnamese. (Note: The advocacy request from AAE was vetted and approved through the U.S. Commercial Service's Advocacy center in Washington. General Lan was identified by MOD staff as the most appropriate senior MOD leader to address the issue. End note.)
- 17. (SBU) General Lan responded that he welcomed AAE's efforts to develop business in Vietnam, noting that his staff would be pleased to meet with AAE when they visit Hanoi for technical discussions in January. The General voiced general willingness to work with U.S. companies and encouraged the Commercial Counselor at the U.S. Embassy to meet with the appropriate offices within the MOD, including the MOD's Office of Economics.

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U.S. participants:

Ambassador Michalak Commercial Counselor Donald Nay DATT Maj. Rizner Ms. Hoa Interpreter

Vietnamese participants:

Lt. General Lan SRCol. Huy Col. Vinh Lt. Tung Interpreter